Sweepstakes, games hit the jackpot—Magazine special report

Advertising Age

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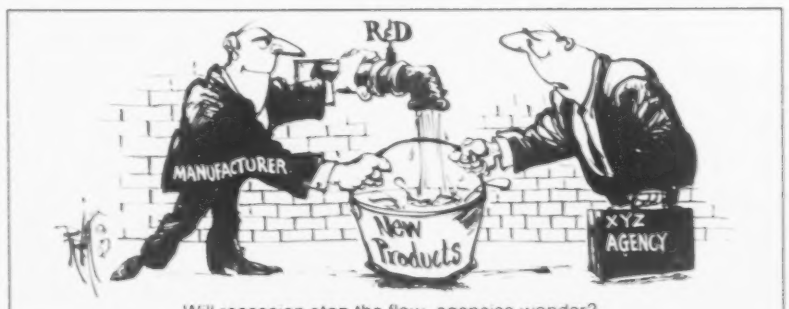
No new product r&d cutbacks yet



Will recession stop the flow, agencies wonder?

An Advertising Age roundup

Agency executives who are coping with cost-cutting plans and proposals are wondering whether today's recession will generate a new product drought in the future.

Noting that clients tend to protect the bottom line in periods of recession, often by reducing new product research and development and eliminating any venture that smacks of high risk, an agency head said: "Sure, there is increased support for the cash cows [at such times]. And they'll think of line extensions before they think of new products.

"In the long run, fewer new products on the drawing boards will hurt agencies more than anything I can think of. . .because decisions to shelve a new product venture this year actually impact on agencies in 1985. It's the long-range impact of the 'no-go' decisions that are now being made that is our problem," he said.

■ The fear does not appear to be well-founded, however, judging from the findings of an Advertising Age survey of new product activity among major advertisers. (And assuming that their comments avoid blind optimism as they endeavor to strengthen the corporate posture concerning

(Continued on Page 77)

Carnation to launch health center chain

By JENNIFER PENDLETON

Los Angeles—Carnation Co. is taking a major step into the health and nutrition field with a new retail chain offering personalized weight-loss programs and a new line of health-oriented Carnation products.

The company will open six Carnation Health & Nutrition Centers in Los Angeles this fall as a prototype for what will eventually become a national chain, if all goes according to plan. The centers will offer personalized service extending to nutritional and weight-loss counseling, plus a separate retail outlet that will sell health foods, vitamins and low-calorie foods under the Carnation and other brand names.

Carnation is developing the new products exclusively for the centers; the centers will not be outlets for existing Carnation products.

Carnation has set up a separate health and nutrition division to manage the project. Last December it hired former Sun Drug president Kenneth Chane; he will be the division's general manager. Carnation has assembled a sizable staff to handle all phases of the new operation.

Mr. Chane told Advertising Age the concept of the center is unlike any other in the health and nutrition field today. "This is not an exercise center spa," he said. "What we are offering is a professional approach to personalized weight loss using Carnation's expertise in diet and food technology."

Although Carnation's retailing experience is limited, Mr. Chane has spent his entire career in retailing, most recently as president of Pennsylvania-based Sun Drug and, before that, as exec vp of Mack Drugs in the northeastern U.S.

It was known that Chiat/Day had been named to handle an undisclosed line of Carnation nutritional products (AA, March 15), but the extent of the project was not known until Carnation chairman H.E. Olson mentioned that the company would start testing a new

(Continued on Page 82)

Wanna pop?

Shasta Beverages uses the theme "I wanna pop" in new campaign breaking today (AA, March 22). "Don't gimme that so-so soda, the same old cola. I wanna pop. I wanna Shasta," spots say. Needham, Harper & Steers handles.

Almost: A $2.3 billion agency merger

FCB strikes out at DDB

By CHRISTY MARSHALL

New York—Foote, Cone & Belding, which Friday found its merger discussions with Doyle Dane Bernbach "amicably" terminated, is expected to go back to a list of other marriage candidates it has drawn up.

That list is said to include Backer & Spielvogel, Dancer Fitzgerald Sample, N W Ayer, Grey Advertising, Wells, Rich, Greene and Warwick, Welsh & Miller. Prior to its discussions with DDB, which if fruitful would have created a $2.3 billion U.S. agency second only to Young & Rubicam in worldwide billings, the agency had met with Needham, Harper & Steers, but nothing came of those talks either.

Robert Pfundstein, exec vp-chief financial officer at Doyle Dane Bernbach, would say only that they "found some snags" in the FCB/DDB matchup—snags significant enough to warrant breaking off the talks. An examination of the two client rosters reveals a number of major conflicts.

One source claimed the agencies actually had made a deal late Thursday night, with FCB the acquiring agency, but it came apart when they tackled the problem of what to call the merged agency. Doyle Dane Bernbach/Foote Cone & Belding? Foote, Cone & Belding/Doyle Dane Bernbach? Bernbach/FCB?

■ If FCB had linked with DDB, the record for the largest merger in agency history ($2 billion) that was established only last February by Ted Bates & Co. and William Esty Co. would have been topped. Combined billings of DDB ($1.150 billion) and Foote, Cone ($1.153 billion) would have hit $2.3 billion, changing the agencies' status from the ninth and tenth-largest, respectively, to No. 2, bumping J. Walter Thompson Co. ($2.2 billion) to No. 3. (Those figures are for U.S.-based agencies; Japan-based Dentsu Advertising bills $3 billion

(Continued on Page 82)

NEWSPAPER

AA
DC20014CONGLI FM JF M
CONGRESSIONAL INFO SERVICE
SPI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

last minute news

Hearst buys 'Redbook,' data unit for $23 million

New York—Hearst has agreed to purchase *Redbook* and Charter Data Services from Charter for $23 million in cash and promissory notes, plus an undisclosed contingent sum based on *Redbook's* future performance.

Movie Channel offers systems up to $10 a head

New York—Movie Channel will pay $5 per subscriber to any cable system that signs a three-year contract and $10 per subscriber to any system signing a five-year pact. The offer, effective July 1, is designed to "help multipay flourish and assist subscribers in getting the best pay tv programing," said Robert McGroarty, vp-marketing for Warner Amex.

O&M's Riney aboard hijacked Honduras plane

San Francisco—Hal Riney, exec vp-West, Ogilvy & Mather, was one of eight Americans aboard a hijacked plane in Honduras, the State Depart-

(Continued on Page 8)

Daughter Christie takes over

Can new Hefner rebuild empire?

By JENNIFER ALTER and PAUL MERRION

CHICAGO—By elevating his 29-year-old daughter to the presidency of Playboy Enterprises, Hugh Hefner is hoping that he has solved the management problems that have plagued his company in the last decade.

Not the least of those problems, Playboy followers note, has been the paradoxical Mr. Hefner himself. Since buying an idyllic Los Angeles retreat in 1970 he has been at once an aloof and intimidating figure at the company—indifferent to all company pursuits except those associated with his beloved *Playboy* yet insistent upon calling all the shots when it comes down to decision time.

"They need entrepreneurial direction," says Kenneth Noble, a publishing analyst at Paine Webber Mitchell Hutchins and a longtime Playboy follower. "They need a person in charge who's there."

Now in charge is Christie Hefner, just eight years out of Brandeis University. She has inherited, along with her father's entrepreneurial genes, a shattered empire. Suddenly shorn of the gambling interests in England and New Jersey that promised to make the company a major casino-resort operator with an almost incidental interest in publishing, Playboy once more is largely a magazine publisher. It is, moreover, a magazine publisher that has demonstrated little competence in expanding beyond its flagship title, although *Playboy* retains a solid hold on an important audience and is profitable enough to finance new ventures.

The company has made a tentative, and so far unproven, foray into cable tv programing. Beyond that, it has little but its 16 remaining Playboy clubs, which no longer appeal to the people they were built for and

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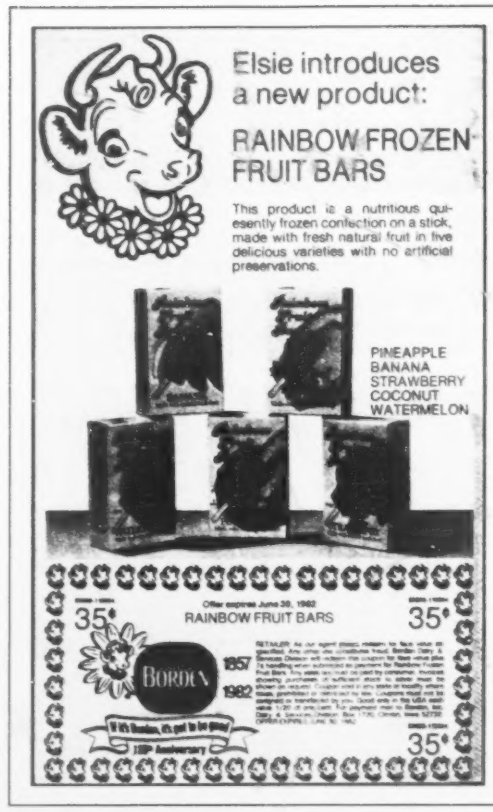

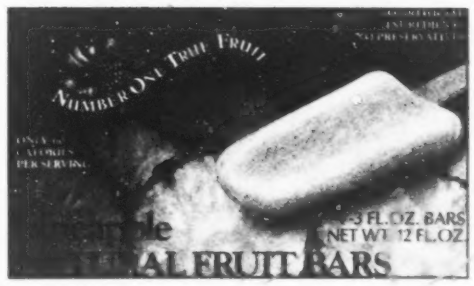

Elsie moves into market to take on Shamitoff

While Borden has just begun an Oklahoma City test of Rainbow frozen fruit bars, in five varieties with no artificial preservatives, Shamitoff Foods of Redwood City, Cal., has been gradually expanding distribution of Shamitoff's Number One True Fruit bars. Its line is now in more than 35 states.

Shamitoff's five flavors of bars contain one-fourth cup of fruit, average 60 calories and contain no artificial ingredients. Borden is using newspaper ads handled in-house; Shamitoff runs newspaper ads only upon distributor request (also done in-house).

Planned ABC net plugs into home taping

By MORRIE GELMAN

ABC Video Enterprises has dropped a bombshell on the home video business.

Not content with its Hearst, Group W and ESPN ventures, the ABC Inc. unit has been quietly developing subscription tv for videocassette recorders. Sony is its hardware manufacturer/supplier.

ABC is asking the Federal Communications Commission for expedited approval to initiate a national subscription tv distribution service using a combination of over-the-air broadcast and videotape recording technology.

This proposed Home Video Network (HVN) would transmit movies (eight new ones per month), cultural, theatrical, educational and how-to programing in scrambled form for subsequent automatic recording on vcrs in HVN subscriber homes. It will transmit five times a week, from 2 a.m. to 6 a.m. (ET), over the five network-owned stations as well as any affiliates that want to participate.

The fee would be $19.95 a month plus installation charge. Homes sans videocassette recorders could lease a unit from HVN for $29.95 monthly, or buy one through the service at a cost comparable to the lowest retail level. The HVN system is compatible with virtually all vcrs, not just Sony's Betamax.

ABC affiliates would participate by receiving a monthly payment per subscriber in their market area. Asked if HVN viewing is going to dilute hut (homes using television) levels of ABC nationally and affiliates locally, ABC Video Enterprises president Herb Granath, under whose aegis the new delivery system falls, acknowledged it will be competitive to some extent, but could more appreciably impact on the home video business.

Another impact is going to be on direct broadcast satellites. Mr. Granath believes. He thinks HVN is going to have its most immediate impact in markets that are not served, and not likely to be served, by cable.

A selling point, according to Mr. Granath, for the program suppliers, particularly the movie studios: More security and accountability in the distribution of product to the home video market than in current tape rentals. For the ABC affiliate, HVN presumably offers a chance to join the video parade without making a major financial commitment.

Specifically, ABC, which wants to get HVN into full-fledged operation by early next year, is asking the FCC for the same sort of stv waiver for its five owned vhf stations as stations in the uhf band have received. Sony also is seeking approval to use its encoding/decoding devices.#

highlights

Monday, May 3, 1982

A.H. Robins Co. introduces a new lipstick line called Exelle. *See Page 10.*

Vincent T. Wasilewski resigns as president of the National Assn. of Broadcasters after 17 years. *See Page 10.*

Stroh Brewery is debuting its new Stroh Signature superpremium beer this month, targeting the "independent thinker." *See Page 12.*

Turner Broadcasting executives eagerly pounce on available Nielsen figures. *See Page 20.*

Despite its "deadwood" image, D'Arcy-MacManus & Masius, New York, appears to be coming to life. *See Page 26.*

Vanity Fair, from Conde Nast, sends its prototype issue to agency offices. *See Page 30.*

Comp-U-Card sells minority interest to Jack Eckerd Corp. *See Page 30.*

Mattel's new security products going into test markets emphasize personal safety rather than guarding property. *See Page 34.*

A recent antitrust settlement between Eastman Kodak and GAF Corp. has established Kodak's product rights. *See Page 39.*

Marketers should target personalities rather than selling to numbers, the National Retail Merchants Assn. was told. *See Page 39.*

Protests continue on whether Doyle Dane Bernbach should be creating advertising for South African Krugerrand gold coins. *See Page 42.*

A better-than-average crop of summer movies is raising competition problems for marketing execs. *See Page 47.*

Jose Cuervo is trying to spice up the American market with its sangrita, a nonalcohol blend of orange juice and chili peppers. *See Page 50.*

A myriad of rules dictate the cable market in Canada. *See Page 60.*

The Dallas Advertising League's ad show has drawn criticism on its judging and its emphasis on art and design rather than advertising. *See Page 63.*

Computerized star presenter lists are in the works at International Talent Negotiators. *See Page 64.*

G.D. Searle & Co. has scrapped its potential business relationship with Lee King & Partners over a King tv spot for client Alberto-Culver Co. *See Page 68.*

Kellogg Co. is planning a new tv spot for a Wheat & Raisin addition to its Nutri-Grain cereal line. *See Page 70.*

Washington Post chairman Katharine Graham tells Ted Turner and the American Newspaper Publishers Assn. that, despite Mr. Turner's prediction last year, daily papers are "not ready for the obit page yet." *See Page 80.*

Newspapers are rushing to get into electronic publishing, anxious not to be left behind. *See Page 80.*

Motors Insurance Corp. is paying off quite handsomely for General Motors, being one of its few profitable operations. *See Page 85.*

CORPORATE CLOSEUP

Household Finance Corp. has been building its base in related businesses such as banking and thrift institutions, and has its eye on blossoming into a multifaceted financial services operation. *See Page 4.*

VIDEOTECH

Cable services are turning to original series as the "natural way to go." *See Page 62.*

MAGAZINE

Business magazines are hammering away at each other with tough, new ads that hit hard—and directly—at the competition. *See Page M-2.*

Thailand offers a fertile ground for advertising, despite its somewhat chaotic nature. *See Page M-31.*

SPECIAL REPORT

Sweepstakes, games and contests are enjoying a new popularity today, as our section on Promotions and Premiums reports. *See Page M-7.*

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Tribune to keep 'News'

By STUART EMMRICH

NEW YORK—Reversing its months-long position that the only way the *New York Daily News* was going to survive was under another owner, the Tribune Co. announced late last week that it had decided to keep the paper itself.

In a low-key statement that amazingly seemed to ignore any mention of four months of turmoil, uncertainty and confusion that has surrounded the *Daily News* since it was put up for sale last December, Tribune Co. president Stanton Cook said the company now believes it is possible to reverse the paper's financial slide.

"This is a great newspaper, a newspaper whose circulation and advertising strength demonstrate that it will be needed and effective in the marketplace for years to come," Mr. Cook said. "We believe it can again be a profitable newspaper."

In meeting with the paper's unions to inform them of the reversal, Mr. Cook said he hoped the company would be able to get the same sort of contract and staffing concessions that had been offered

(Continued on Page 82)

Giving each other the business

Tough new ads hammer away at the competition

By Stuart Emmrich

There it was in unmistakable black and white, disturbing an otherwise uneventful Monday morning.

An ad placed by *Business Week* showed a rolled up, discarded copy of the *Wall Street Journal* nesting in a wastepaper basket. Its headline: "It's 10 a.m. Do you know where your ad is?"

The *Wall Street Journal*? Tossed aside like any old fish-wrapper? It was a sight that had some media buyers surprised and *Wall Street Journal* executives apoplectic. Sure, competing publications aren't above taking occasional swipes at each other, but those previous efforts had the impact of pebbles skimming over the water compared with this ad, which appeared in the New York Times and Advertisng Age.

"That was a new low in advertising. When you start to take shots like that, it's more than a little beneath the call of competition," charged Bernard Flanagan, vp-advertising at the *Journal*.

The ad was part of a series in a new campaign *Business Week* and its agency, Fearon/O'Leary Associates, New York, broke earlier this year. A previous ad, using news clips from both *Business Week* and the *Journal*, sought to demonstrate how *Business Week* had beaten the *Journal* on news stories months or weeks earlier. Another ad described the journalistic competition between the weekly *Business Week* and the daily *Journal* as the difference between "perked and instant" reporting.

Those ads were okay with *Journal* vp-associate publisher Peter Kann, who said it was normal and expected for competitors to make unflattering comments about their rivals, but he said he, too, was taken aback by the now infamous "It's 10 a.m." ad.

"I'm surprised to see that a magazine would show a picture of its competitor in a wastepaper basket," Mr. Kann said. "It really lacks class and good taste, and I'm not sure why they would want to do something like that. We certainly don't think *Business Week* is trash."

But *Business Week* publisher R.B. (Bernie) Alexander, while acknowledging that the "wastepaper basket" ad might have been a "little rough," said that his magazine wasn't trying to portray the *Journal* as trash.

"We certainly didn't have that in mind; we have the greatest respect for the *Journal*," Mr. Alexander said. "But it is our most formidable competitor. We have to position ourselves against it. There are some things we can say about ourselves and the differences between us and the *Journal*, such as that we can take four-color ads and they just have black and white, or that a weekly magazine has a longer shelf life than a daily newspaper, which is what I think that ad tried to get across."

But Mr. Alexander said he would be "surprised" to see *Business Week* carry its comparison advertising campaign much further. "I think we made our point," he explained, adding that he never intended a "campaign against the *Wall Street Journal*."

Making the point that there are substantial differences among the rival business magazines has cropped up with a vengeance in recent months, as almost every publication in the category seems to be taking on its competitors in bare knuckle ads that they never attempted before. If it isn't *Business Week* pitted against the *Wall Street Journal*, it's *Fortune* vs. *Forbes*, or *Dun's Business Month* vs. both *Fortune* and *Forbes*, or *Barron's* vs. *Business Week*, *Fortune* and *Forbes*.

"It certainly seems as though the field has become more competitive in its advertising, but I don't think that is unhealthy," said Marianne Caponnetto, associate media director at Needham, Harper & Steers. "It reminds us of the different strengths of the magazines."

"Of course, it isn't always positive," Ms. Caponnetto added. "To go and knock your competitor is not always a positive way to do things, but it is often a way to get noticed."

But Joseph W. Ostrow, executive vp at Young & Rubicam, the agency for *Fortune*, who has broad experience in handling Time Inc.'s magazine promotion efforts, believes that just getting noticed isn't enough reason for one magazine to run an ad that knocks a competitor.

Of all the competitive new ads among business publications, this "wastebasket" presentation by* Business Week *has stirred the most controversy.

"I'm surprised that a magazine would show a picture of its competitor in a wastepaper basket. It really lacks class and good taste and I'm not sure why they would want to do something like that."

"That sort of thing is not a way of doing battle that I think makes sense," Mr. Ostrow said of *Business Week's* wastepaper basket ad. "It doesn't cause you to read the ad. It just catches your attention momentarily and then you move on. The kind of comparative ads that are useful are those dealing with issues of substance: Editorial quality, price, performance."

Others in the industry, while not expressing approval of the wastepaper basket execution, said they were not surprised that *Business Week* decided to take on the *Wall Street Journal* in its latest campaign.

"*Business Week* carries more ads than anyone else, and when you are No. 1, you have to find somewhere to grow," said W. Donald Larson, director of communications at *Forbes*. "They first went after the newsweeklies a few years ago when they wanted consumer advertising; now they are going after the *Wall Street Journal* because that opens up a new area for them. There is no point in *Business Week* going after us."

Ms. Caponnetto said tighter ad budgets may be one reason why the head-to-head competition has become fiercer in recent months.

"While advertisers are increasing their investments in business magazines," she said, "they recognize that times are tough and that they just can't run a campaign in a whole list of publications. They have to be more selective."

Although ad budgets tend to become tighter in recessionary times, one of the factors seemingly fueling the increased competition among business magazines is the realization that business publications are hot books that can represent ad revenue gold mines. As these stakes grow higher, the competition gets tougher.

Last year, *Fortune* increased ad pages by 19%, to 2,738, while its revenues rose by 27% to $70,442,000. *Forbes* was up by 4% in pages, to 2,765, and by 20% in revenues, to $53,923,000. The *Wall Street Journal*, while not disclosing actual ad revenues, was up in linage by about 10%, as national ad rates were increased approximately by 15%, according to Mr. Kann. And even *Business Week*, which dropped by 2.3% in pages last year, to 4,845, still pulled in an impressive $133,296,000 in 1981, a 3% increase over the previous year.

What's ironic about the ad revenues collected by these publications is the relatively low circulation levels of the business magazines. With *Business Week* at 770,000 paid circulation, *Forbes* at 700,000 and *Fortune* at 646,000, each ranks near the bottom of the country's 100 largest magazines.

But as these financial success stories grow, so do the number and influence of their competitors.

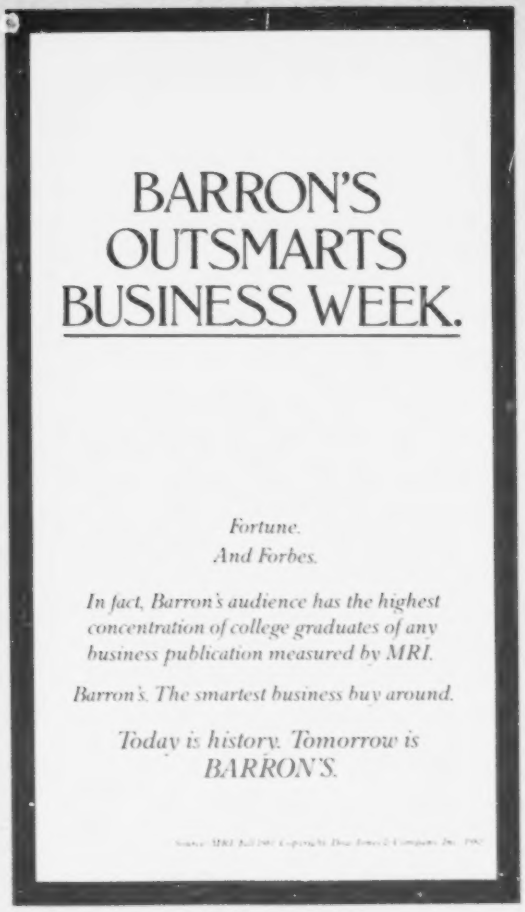
Inc., one of the fastest-growing of the business magazines, carried 994 ad pages last year, up by nearly 29% from 772 the year before. *Industry Week* increased by 4.3%, to 1,663 pages from 1,593, while *Venture* gained 36%, to 468 from 344 pages. *Barron's*, despite a 4% decrease in pages in 1981, carried 2,216 pages of advertising. And *Dun's*, having dropped to 914 pages in 1981 from 1,021 the previous year, now is enjoying a strong rebound since changing its name and format late last year. The Dun & Bradstreet publication last fall changed its name from *Dun's Review* and altered the format to include a section that is designed to give executives a quick roundup of the month's business events. Ad pages were up by 12.5%, to 135 from 118, for the first two months of 1982.

So as the competition and the stakes grow, the business magazines are continuing to evaluate their own marketing strategies in seeking new ways to gain a competitive edge.

And among the major publications, both *Fortune* and *Business Week* expect to be spending more heavily on advertising than they have in recent years. *Business Week* executives, while declining to discuss actual figures, said they intend to increase their 1982 advertising budget by at least 25% and perhaps as much as 50% over the previous year. *Fortune* executives said they too would probably be increasing 1982 ad expenditures by about 25%.

One change among business magazines, particularly reflected in *Business Week's* and *Fortune's* advertising, is that the individual publications, when they go to comparative advertising, are less likely to talk about demographic differences, focusing instead on editorial content

Stuart Emmrich, a reporter in Advertising Age's New York bureau, covers the magazine publishing industry.


BARRON'S OUTSMARTS BUSINESS WEEK.
Fortune.
And Forbes.
In fact, Barron's audience has the highest concentration of college graduates of any business publication measured by MRI.
Barron's. The smartest business buy around.
Today is history. Tomorrow is BARRON'S.

That fabulous Forbes environment. How much will it affect your advertising? (You be the judge.)
Publications that best fits each statement
Forbes
Fortune
Business Week
Has the best information on companies
Is the liveliest magazine
Has the most up-to-date information for readers on business events
Is the most authoritative
Is the one I would miss most
Is the most enjoyable
Offers the best judgments and insights
Is the most interesting to read
Has the most provocative writing
Is written with wit and humor
Think writers "tell it like it is"
Of the three it is my favorite
No wonder Forbes has been shown year after year to be the business magazine read regularly by the most influential executives in the country. After all, it's their favorite. No wonder that in 1981, only seven magazines—all weeklies—carried more advertising pages than Forbes.
No wonder Forbes now tops Business Week in net paid U.S. circulation—after their average arrears of 57,000 unpaid copies are deducted from their latest published figures—making Forbes the leading mass business magazine in paid U.S. circulation, with a total of 667,000—15,000 more than Business Week (and 120,000 over Fortune).
Next time you want your advertising message to reach the most powerful management market in America, consider how effective it will be in that witty, provocative, lively, conversable magazine whose writers 'tell it like it is.'
Forbes
Capitalist Tool

Dun's Business Month *(from left)*, Barron's and Forbes *all take direct aim at their competitors, with* Barron's *even elevating* Business Week *to the headline of its display, while* Forbes *and* Dun's *use figures to show their presumed superiority.*

or perceptions by readers and advertisers. "What really separates the magazines today is the quality of their editorial," argued Don Austermann, *Business Week's* director of marketing communications. "We used to talk about audience profile, but that is now a given. Most of our competitors can show the same thing. Instead we are now talking about what makes a magazine important, what makes it must reading."

Although admitting that it is difficult to articulate to advertisers the exact quality of editorial product, he said that the new *Business Week* campaign comes as close to any he has seen. "This advertising has caused more positive reaction than any ads we have used in the past 10 years," Mr. Austermann said. But he denied that it should be seen as a head-to-head battle against the *Wall Street Journal* or against any other business magazine.

"We are not really marketing against anyone; we are

(Continued on Page M-6)

Business in print: The vital statistics

	Frequency	Circulation	Ad pages 1981	Ad pages 1980	B&W rate
THE WALL STREET JOURNAL.	M-F	2,000,000	NA	NA	$56,121
BusinessWeek	Weekly	777,500*	4,846	4,960	20,680*
Forbes	Biweekly	700,100	2,765	2,671	16,520
FORTUNE	Biweekly	674,100	2,738	2,304	19,760
Industry Week	Biweekly	300,000**	1,663	1,593	8,190
Dun's BUSINESS MONTH	Monthly	284,600**	914	1,021	8,450
Inc.	Monthly	266,500	994	772	12,500
BARRON'S	Weekly	258,900	2,216	2,308	8,599
Venture	Monthly	161,545	468	344	5,909

*U.S. and Canada edition
**Controlled circulation

Publications battle

(Continued from Page M-3)

marketing for *Business Week*," Mr. Austermann said. He conceded that the ads do target the *Journal* to a degree not used before, but added that the mention of other business publications in those same ads doesn't mean he sees *Business Week* as setting the tone for comparative advertising.

"We're the leader. We don't have to answer to anyone," he said. "What is important for us to do is to sell value and virtues of the magazine. We don't have to answer to a magazine that is barking at our heels."

That same position, ironically, is being taken by *Wall Street Journal* executives, who say they have no plans to respond directly to the *Business Week* ads that compared the two publications.

"We are not going to get that dirty," said Bernard Flanagan, vp-marketing at the *Journal*. "I have five ads that I could run right now that would cream them—and they are all factual—but I don't think that is the way to do business."

Instead, the *Journal* just broke a campaign focusing on the idea that the *Journal* is read by most corporate executives. The ads show pictures of 15 famous buildings and ask which landmark is "viewed by 6,000,000 Americans for more than four hours a week." The answer is found in the 16th snapshot: A rolled-up copy of the *Wall Street Journal* photographed to look like a skyscraper. The newspaper will also continue to use its "All cream" ads that discuss the readership demographics. The paper's agency is Jim Johnston Inc., New York.

"We used to talk about audience profile, but that is now a given. Now we are talking about what makes a magazine important, what makes it must reading."

That same aloofness is not being maintained by other publications, however. The degree to which the magazines pit themselves against their competitors differs from one marketing department to another.

"This comparative advertising is not really new for us, but it is a change for some of the smaller publications," said Mr. Garson of *Forbes*, "To get a part of the action, they have to become part of the field. It's how the women's books grew into a category. If these magazines such as *Inc.*, *Barron's*, *Dun's* and *Industry Week* want to grow, they have to marry themselves to us."

Meanwhile, *Forbes* has decided to use some of the "buzzword" advertising that Mr. Garson said has been effective for *Fortune*.

This **Wall Street Journal** *ad singles out its Friday edition—the same day* **Business Week** *comes out.*

"For some years, *Fortune* had been basing its advertising on research we had pretty much ignored. I call it buzzword advertising—the image of authority, long stories, etc.," Mr. Garson said. "I think the truth of those statements changed a bit when they went biweekly, but images die hard, and they are always going to win on what I would call the 'ponderous' adjectives. And *Business Week*, because of its frequency and the kind of stories it carries, is always going to win on being more timely and newsy. But I believed that *Forbes* would win on such things as liveliness and being enjoyable. So I put my money where my mouth was, commissioned our own research, and it worked." He added that the results are now appearing in *Forbes* ads.

Fortune, while continuing to point out what it sees as differences between itself and other publications, is making a greater effort—in its 1982 campaign—to define what it sees as the character of the magazine and how it can be used as a career advancement tool.

The new Y&R ads were spurred by a survey *Fortune* recently commissioned that showed nonsubscribers seemed to have a distorted idea of what the magazine was about, said promotion director Walter Joyce.

"Nonsubscribers tended to think it was a magazine written for chief executives of the top 1,000 companies. When we asked if they thought the magazine was edited for them, they said no," Mr. Joyce said. "We wanted to show these individuals that this is an exciting publication that can help young managers succeed and move up in business."

The magazine is especially interested in catching more younger readers than it has in the past, Mr. Joyce said.

The new ads—humorous and thought-provoking—use such grabbers as a sheep sitting behind a desk, with a headline: "If you stick with the herd, you could end up as a lamb chop." Another, captioned "By diligence, a quick-witted fellow can rise from rags to riches," shows an old photograph of a city kid selling newspapers.

Both ads, as well as others in the campaign, sell the idea that ambition is okay, that you don't have to hide ego and the urge to get ahead. And it argues that *Fortune* is the one place where up-and-coming executives can get the information that will help them jump ahead of their peers.

Previous ad campaigns basically publicized contents of each issue and assumed people understood the thrust of the magazine, Mr. Joyce said.

James Hoefer, associate publisher-advertising director, conceded that he was not naive enough to assume that *Fortune* is not competing with its rival magazines for advertisers and readers. He asserted, however, that the magazine does not believe in using comparative advertising, except in a minimal way.

It is an attitude found at most Time Inc. publications.

"To say you are better than someone is to really assume that you are worried about your competitors," Mr. Hoefer said. "Our position is that we are the prestige publication, the premier showcase." AA

How business magazines take shots at each other

Here is a sampling of what the business magazines are saying about each other in their latest ad campaigns:

• **Barron's**: "*Barron's* outsmarts *Business Week*" is the headline on one current ad in the *Barron's* campaign, adding in smaller type "and *Fortune* and *Forbes*," arguing that the latest readership studies from Mediamark Research shows that *Barron's* has the highest concentration of college graduates of any of its rivals. Other ads from the Dow Jones & Co. publication proclaim, "*Barron's* outclasses . . . " and "*Barron's* outearns . . . ," with different competitors' names used to fill in the blanks.

• **Business Week**: The now famous "It's 10 a.m. . ." ad tried to make the point that a "fast run-through of the capusule business news, a scan of the stock tables, a quick look at some earnings and sales figures and a glance at an ad or two. Then it's all over for the daily journal." Meanwhile, according to the ad, *Business Week* readers keep reading their issues all week long. Other ads in the series tried to make a point that *Business Week* readers often learn about a story before it breaks in the *Journal* or that *Business Week*, when it can't always beat the *Journal* on a story, is able to offer more insight and background than the daily newspaper.

Other recent *Business Week* ads make an observation about the McGraw-Hill magazine and then include a line such as, "It's the kind of in-depth business reporting 6,000,000 business leaders know they can get consistently in *Business Week*. Not in *Forbes*. Not in *Fortune*. Not in the Wall Street Journal."

• **Dun's Business Month**: "With ad budgets getting tighter every day, can you afford to waste $270,000?" asks *Dun's* publisher Robert Potts in that publication's latest ad. The new campaign from the Dun & Bradstreet magazine assumes that businesses are going to advertise in *Business Week* and the *Wall Street Journal* no matter what, and that any inroads *Dun's* is going to make will depend on knocking off *Fortune* and Forbes.

The ad compares a 12-times-a-year media buy in combination with the *Journal* and *Business Week*, claiming an advertiser will spend $1,104,747 with a combination that includes *Dun's*—$270,792 less than that combination with *Fortune* and $207,864 less than with *Forbes*.

• **Forbes**: In its latest campaign, *Forbes* tries to turn the tables on *Fortune*, which for many years has been using businessmen's attitudes about the various business publications as a way to sell its own magazines. Its own study of top executives conceded that *Fortune* won on being the most authoritative and that *Business Week* was the big winner on being most up-to-date, but that *Forbes* pulled out ahead on such impressions as being the liveliest, the most enjoyable, the most interesting to read, the one written with the most wit and humor, and came out on top when the executives were asked to pick which of the three was their favorite.

• **Fortune**: The Time Inc. magazine carefully avoids outright comparative advertising, instead using ads that maintain that *Fortune* is in a unique position. A typical line from an ad reads, "For over 50 years, it's been the authority, the horse's mouth, the one you rely on when you can't afford a wrong decision," subtly implying that its rivals lag behind in the competitive foot race.

• **Wall Street Journal**: The *Journal* pretty much avoids mentioning any competitor's name in its ads, but a couple of weeks after *Business Week* showed a copy of the *Journal* in the wastepaper basket, the Dow Jones publication retaliated in a low-key way. It ran a spread ad in the March 22 issue of Advertising Age showing a backseat rider in a Rolls-Royce asking: "Did you see that story in Friday's *Journal*?" Although it made the point that the Journal was "top-of-the-day reading every business day," it especially touted the Friday *Journal* as a wrapup of the week's events. Coincidentally, Friday is the day most *Business Week* subscribers receive their issue of that magazine. —S.E.

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